

Article 4: City Employees' Retirement System

Division 9: Powers and Duties of Board

*("Guaranty" incorp. 1-22-1952 by O-5046 N.S.,
contained in O-10792 O.S. adopted 11-29-1926;
repealed 10-25-1926 by O-8874 N.S.)
("Powers and Duties of Board"
added 10-25-1962 by O-8744 N.S.)*

§24.0901 Board of Administration — Rules and Regulations, Actuarial Valuations Determined Interest Assumption Rate, Employ Actuary, Investment Counsel

The Board of Administration, as provided above, may make such rules and regulations as it deems proper for the administration of the Retirement System, and subject to this ordinance and those rules the Board may modify benefits for service and disability, and also determine who are employees, and shall be the sole judge of the condition under which persons may be admitted to and continue to receive benefits under this system. The Board shall also have authority to secure and pay reasonable compensation for such medical service and advice as is necessary to discharge its duties respecting matters involving disability or death, or both.

The Board shall keep in convenient form such data as is necessary for the actuarial evaluation of this system as of June 30, 1954, and thereafter at the end of periods not to exceed one year it shall cause to be made an actuarial valuation of the assets and liabilities of the system, and at periods of not to exceed five years said Board shall cause to be made a thorough actuarial investigation of the mortality, service and compensation experience of members and persons receiving benefits, together with an actuarial valuation of the assets and liabilities of the system. From time to time it shall also determine the rate of interest being earned on the retirement fund. The Board shall have authority to employ an actuary and make such contracts with him as may be necessary to provide for their use and benefit such services as are needed by such Board.

The Board shall also have the authority to employ and contract with independent investment counsel(s) as may be necessary and required to provide professional services in support of the Board's investment responsibility set forth in section 144 of the Charter of The City of San Diego.

(Retitled to "Board of Administration — Rules and Regulations, Actuarial Valuations Determined Interest Assumption Rate, Employ Actuary, Investment Counsel" and amended 12-7-1987 by O-16992 N.S.)

§24.0902 Election of Safety Members to The Board

Safety members of both classes who are employed in the Police Department shall have the right to select one of their members to serve as a member of the Board of Administration of the City Employees' Retirement System, as authorized by the Charter; and safety members of both classes who are employed in the Fire Department shall have the right to select one of their members to serve as a member of the Board of Administration of said City Employees' Retirement System, as authorized by the Charter.

("Election of Safety Members to The Board" added 12-8-1976 by O-11964 N.S.)

§24.0903 Adoption of Mortality, Service, Interest Rates and Other Tables

On the basis of any or all of such investigations, valuations and determination the Board shall adopt such mortality, service and other tables and interest rates as it deems necessary and make such revisions in rates of contribution of members as it deems necessary to provide the benefits for which the rates for normal contributions are required to be calculated. The decision of the Board of Administration on matters covered by this section, if arrived at in good faith, shall be conclusive.

("Adoption of Mortality, Service, Interest Rates and Other Tables" added 12-8-1976 by O-11964 N.S.)

§24.0904 Transfers to be Made by the Board of Administration

On the basis of such investigation, valuation and determination the Board shall transfer to or from, as the case may be, either or both accumulated investment income in excess of interest credited to contributions and the accumulated contributions of the City, as the case may be, held for the benefit of members on account of current service, amounts necessary to bring the amounts available, in the accounts the Board is required to keep, to meet the obligations of the City on account of benefits that have been granted, including the annuity portion of such benefits, to or on account of retired or deceased members, to the basis of mortality tables and interest rate adopted by the Board.

("Transfers to be Made by the Board of Administration" added 12-8-1976 by O-11964 N.S.)

§24.0905 Crediting of Interest

The Board shall credit the contribution accounts of members, including safety members, and the City in the Retirement Fund with interest at a rate to be determined by the Board compounded at each June 30th.

(“Crediting of Interest” added 12–8–1976 by O–11964 N.S.)

§24.0905.5 Forfeiture of Inactive Retirement Accounts

- (a) The Board of Administration may declare a forfeiture of an inactive member’s accumulated contribution to the Retirement fund, under either of the following conditions:
- (1) When a member, eligible for benefits, has not within one (1) year after becoming eligible for payment either accepted such payment or requested such payment and the member cannot be found by the board after a reasonable effort has been made; or
 - (2) When a member, who has not become eligible for benefits, has left City employment without withdrawing his or her contributions and has not, after two years from the last date of termination of employment, requested a return of the member’s accumulated contributions to the fund and the member cannot be found by the board after a reasonable effort has been made.
- (b) Such forfeitures shall be credited to the Retirement Fund.
(“Forfeiture of Inactive Retirement Accounts” added 9–30–1985 by O–16510 N.S., effective 10–11–1985.)

§24.0906 Board of Administration — Preparation of Annual Budget

The Board of Administration shall prepare each year an annual budget of administrative costs for the San Diego City Employees’ Retirement System upon the recommendation of the Business Procedures Committee which shall be submitted to the City Council for consideration in the annual budget ordinance. Upon adoption of the budget ordinance by the City Council, the Board of Administration shall appropriate each year from the Undistributed Earnings Reserve a sum sufficient to meet the budgeted expenses and costs of operating the system, including all personnel services, for the fiscal year concerned. The portion of the costs and expenses attributable to the employees of any participating public agency shall be paid by said agency pursuant to the terms of participation agreement and shall be remitted to the Undistributed Earnings Reserve.
(“Board of Administration — Preparation of Annual Budget” added 12–8–1976 by O–11964 N.S.)

§24.0907 Meetings; Quorum

Seven (7) of the members elected and appointed to the Board pursuant to Section 144 of the Charter shall constitute a quorum to do business or conduct a hearing but a lesser number may take action to adjourn a meeting or hearing from time to time. The affirmative vote of seven (7) of the members elected and appointed to the Board shall be necessary to pass any vote and take final action on any decision before the Board except that a vote to adjourn may be adopted by a majority of the Members present. (*“Meetings; Quorum” renumbered from Sec. 24.0901.1 and amended 6-19-2000 by O-18816 N.S.*)

§24.0908 Board Hearings

The Board of Administration is hereby authorized in its discretion to hold a hearing for the purpose of determining any question presented to it involving any right, benefit or obligation of a person under this ordinance. Where a hearing is held the Board shall have authority to administer oaths and require testimony to be presented to such Board under oath, and such hearing may be held at such time and place as may be determined by the Board and may be continued from time to time as necessary. (*Retitled to “Board Hearings” on 12-8-1976 by O-11964 N.S.*)

§24.0909 Confidentiality of Member Records

Data filed by any member, including a safety member, or beneficiary with the Board is confidential and no individual record shall be divulged by any officer or employee having access to it to any person other than the member to whom the information relates, or his authorized representative, or The City of San Diego. Such information shall be used by the Board for the sole purpose of carrying into effect the provisions of this ordinance. It is hereby declared to be a misdemeanor for any member of the Board, or officer or employee, to divulge any information to any person other than one authorized by this ordinance to receive such information concerning the data filed or required of any member of beneficiary to be furnished to such Board in connection with the administration of the Retirement System. (*“Confidentiality of Member Records” added 12-8-1976 by O-11964 N.S.*)

§24.0910 Legal Advisor to Board of Administration

Unless otherwise provided by Memorandum of Understanding between the City Attorney and the Board of Administration, the City Attorney shall designate one or more Assistant City Attorneys or Deputy City Attorneys to advise and represent the Board of Administration in the administration of the Retirement System. (*Amended 11-10-1998 by O-18600 N.S.*)